EAB

The 360 Report

Industry Updates for Enroll360 Partners

March 21, 2024

Webinar will begin promptly at 3:01 EST

Today's Presenters

Duncan McLean

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Today's Agenda

The 360 Report

Top of Funnel Update | Duncan McLean

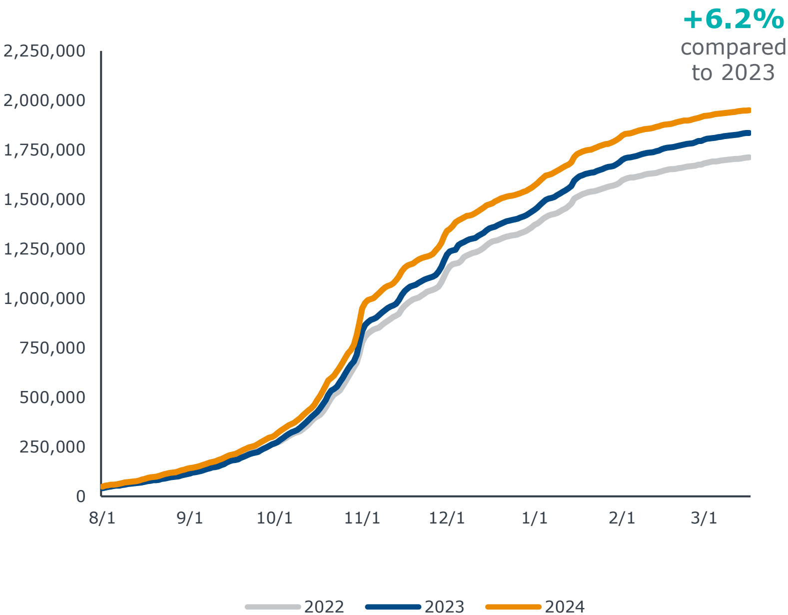
Yield and FAFSA News | Brett Schraeder

Non-Consumption Research | Vashae Dixon

Application Submissions Remain Strong

As of March 17th

Cumulative Total Application Submissions



+4.6%

Increase in apps from students of color; compared to +8% for white students

90%

In 2022 and 2023, ~90% of applications received by 3/17

9.7

Average number of apps submitted by students so far for EC 2024 (up 0.7 apps)*

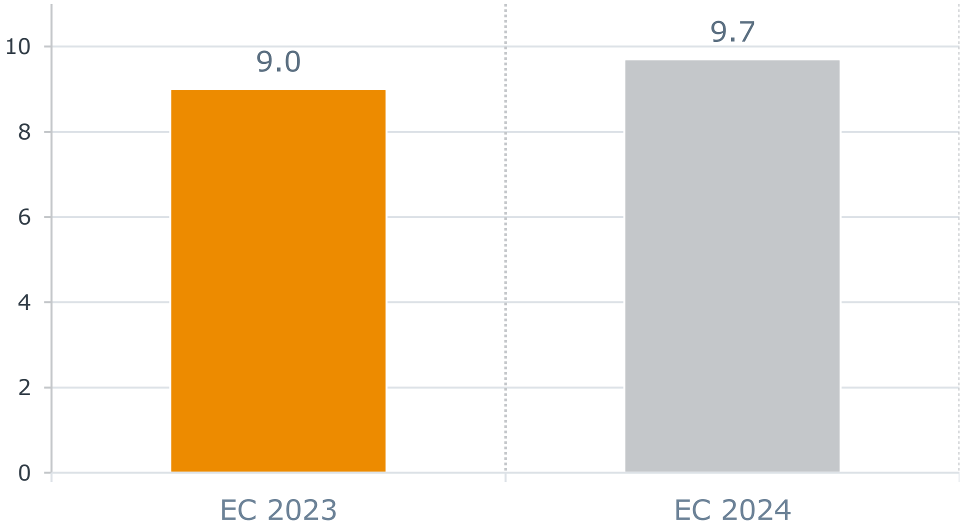
N=220 schools

* Source: Naviance by PowerSchool

Increasingly Challenging to Predict Yield as Students Submit More Applications on Average

Average Number of Applications per Student – Naviance by PowerSchool

Entering Classes 2023-2024 year-to-date as of January 31st

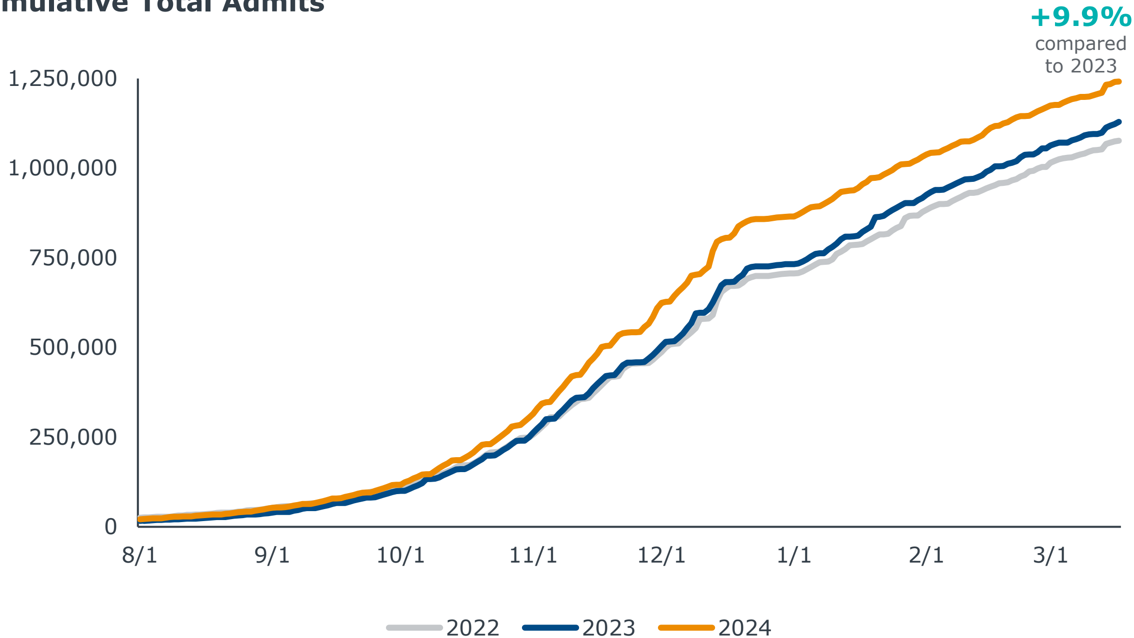


N= 5.8 million applications

Admit Growth Outpacing App Growth

As of March 17th

Cumulative Total Admits

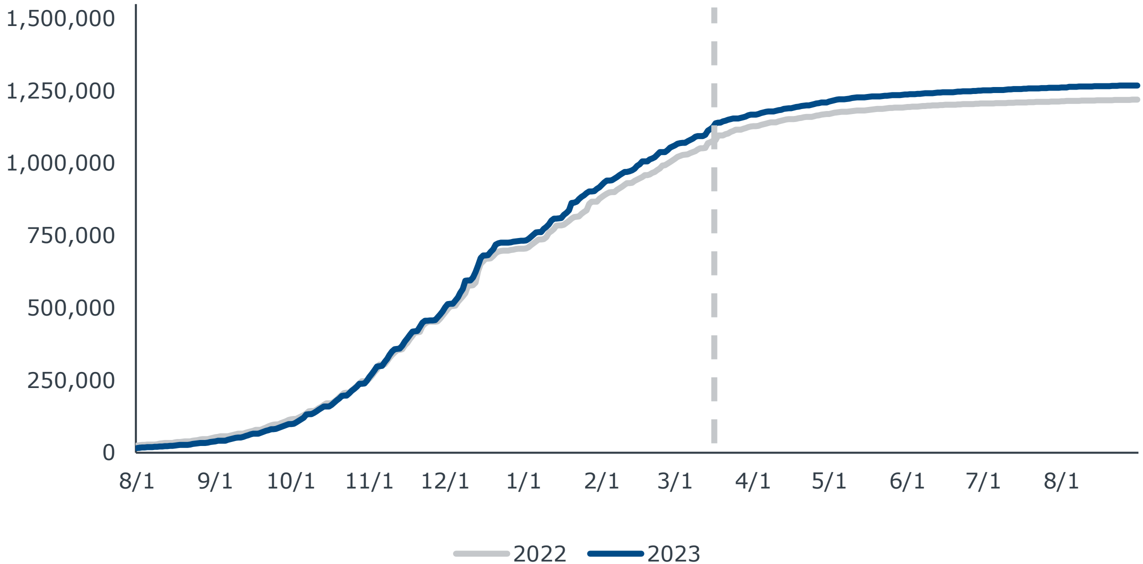


N= 204 schools

Majority of Admit Volume Already Received

In 2022 and 2023, ~88% of Admit Decisions by 3/17

Cumulative Total Admits

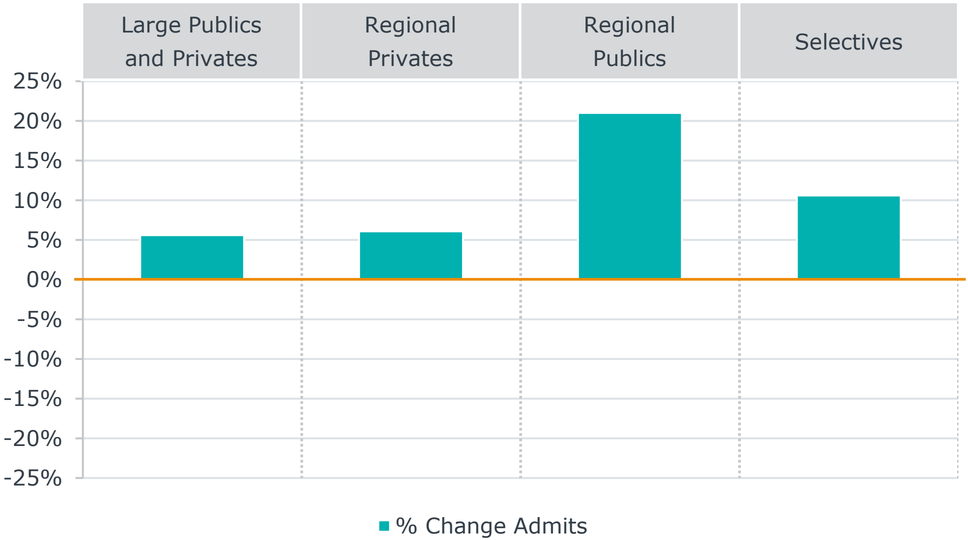


N= 204 schools

Admit Growth Strong Across Segments

Admit Change by School Segment

Entering Classes 2023 and 2024

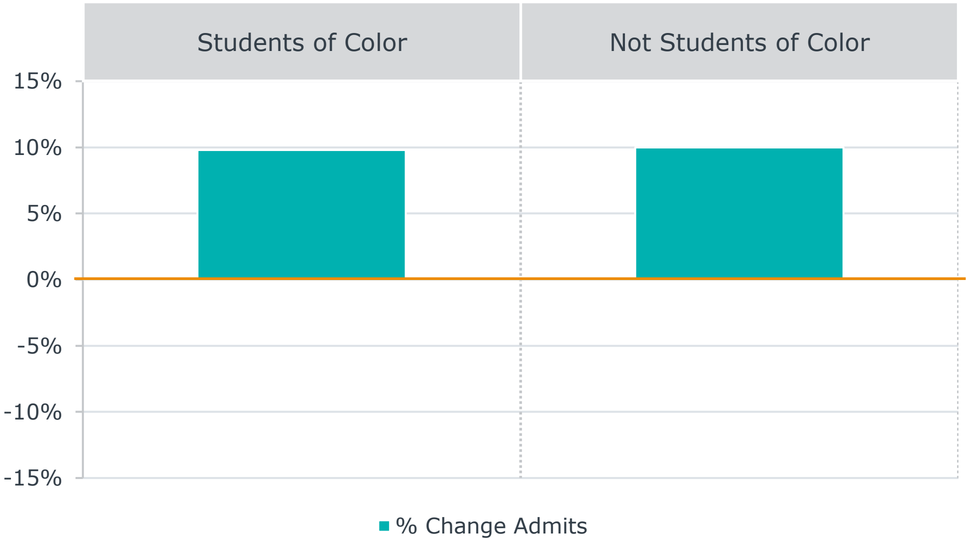


N= 204 schools

No Difference in Admit Growth by Ethnicity

Admit Change by Student Race/Ethnicity

Entering Classes 2023 and 2024

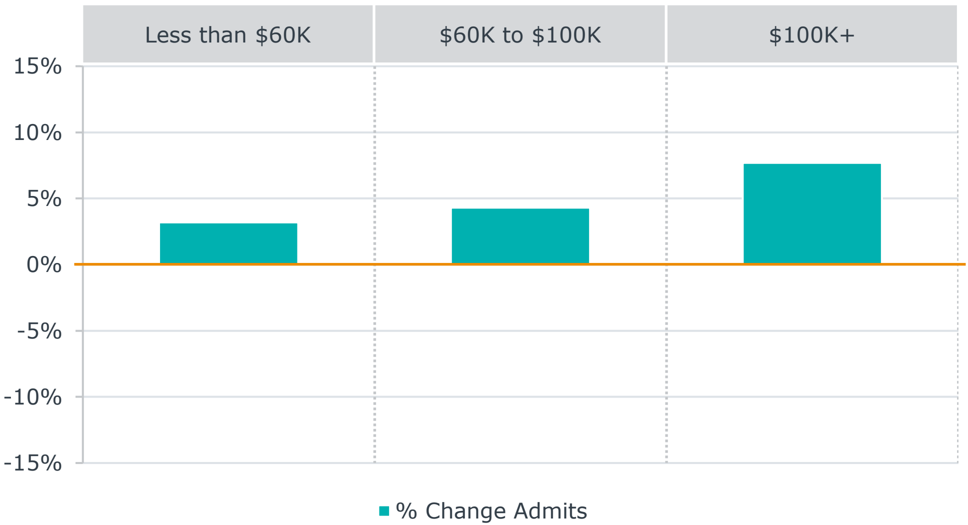


N= 204 schools

Higher Median Income ZIPs Showing Slightly Stronger Admit Growth

Admit Change by Median Household Income per ZIP

Entering Classes 2023 and 2024

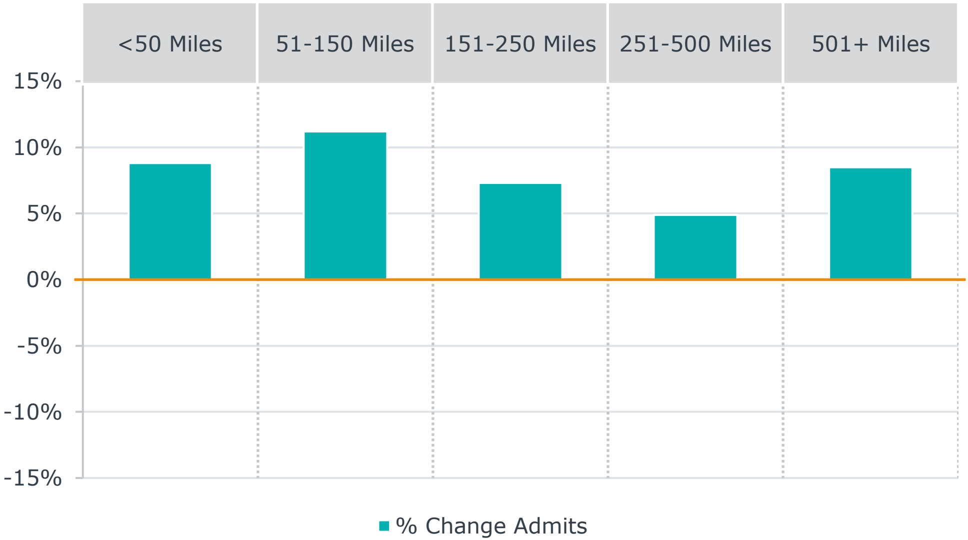


N= 204 schools

Strongest Admit Growth in More Local Markets

Admit Change by Student Distance from Campus

Entering Classes 2023 and 2024

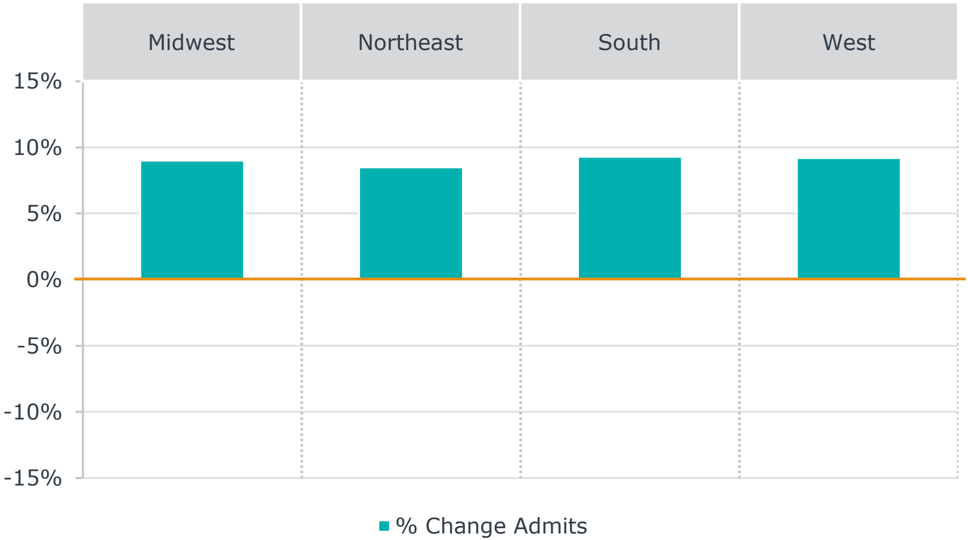


N= 204 schools

Strong Admit Growth Across the Country

Admit Change by Student Region

Entering Classes 2023 and 2024



N= 204 schools

Poll #1

What are your plans for deposit deadlines?

1. We are sticking with May 1 (with flexibility)
2. We have moved to later in May/June
3. We are waiting to see how FAFSA flow comes in before we make a decision
4. We are still considering our plans
5. We don't really have a deadline, so it's not an issue for us

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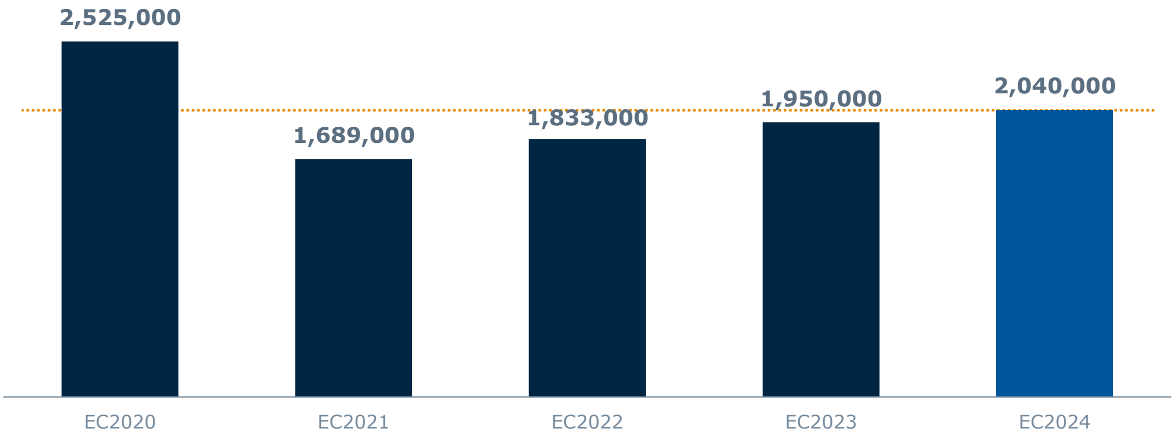
List Source Update

Updates Across the Classes & Sources

- **EC24** is winding down, addition of new students is slowing
- **College Board** digital testing roll out with SAT & PSAT10 this month
- **EC25** looks strong, no COVID and minimal Connections impacts
- **EC26 is down, as expected**, concerned about future
- Next big **Connections impact** coming in April & May

2024 Class Testing Outpaced Covid Years

5-Year SAT + ACT Tester Availability



Entering Class 2024 Outlook

Testing continues to rebound but there is no expectation to reach Pre-COVID levels

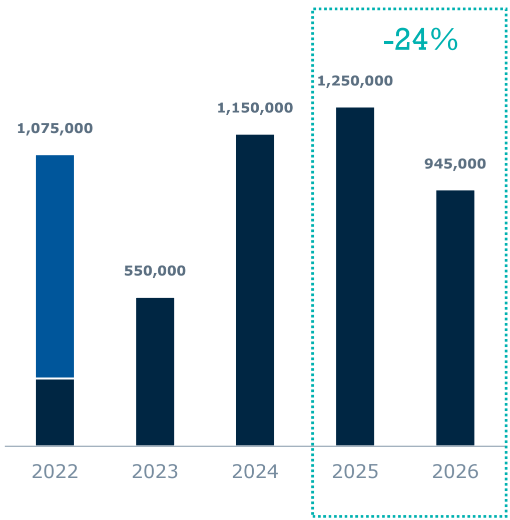
+5% Compared to EC2023

-19% Compared to EC2020

Decline in 10th Grade, as Expected

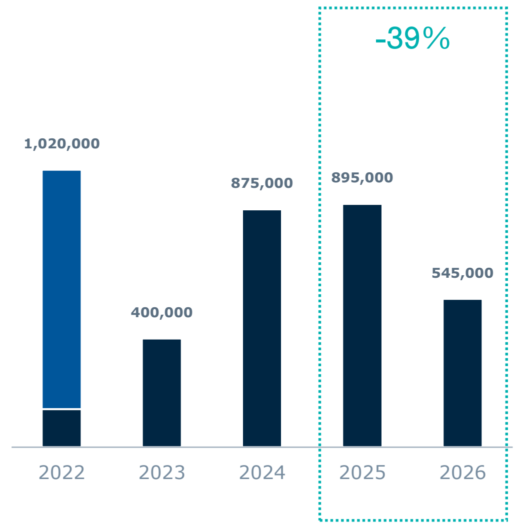
With Greater PSAT Test Score Availability Decrease

10th Grade Total Availability
As of December



January data feed for EC22

10th Grade PSAT Availability
As of December, Domestic Only



Data from initial PSAT Release Only

What We're Learning about Connections

Latest College Board Updates

- 1,000+ schools have subscription plan
- 500+ have Connections active
- 1.6M+ students downloaded the app and opted into Connections
- *800K students uniquely in Connections and **NOT** in Search*

Observations from This Year's Implementation

- Yes - students are in the app! Yes – some continue to use after score release!
- Schools with bigger brand and audiences tend to have higher engagement
- 10th graders (2026) are "engaging" at higher rates than 11th graders
- Increased activity observed when new messages go live

Significant Early Awareness Stats from EAB Partners

Aggregate Engagement Across All EAB-Run Connections Launches[1]

80K+

Message Saves

"Across all messages sent by your org, count that have saved by students. **Each student can save a unique message once."**

37K+

College Saves

"Count of times your org has been saved by students. **Each student can save an org once."**

325K+

Profile Views

"Count of unique users who have viewed your profile. **Students can view your profile unlimited times."**

1) N=170 EAB partners

Forecasting Campaign and Enrollment Impact

An Extrapolation from 75 FY24 Cultivate Partners with Connections

Actual Cultivate Engagement Impact, FY24 YTD
Sophomores and Juniors

29%
Fewer PSAT contacts

93,359
Fewer PSAT responders

17,375
Connections-sourced responders

Extrapolated Application Impact in FY25
(*Assuming Connections Responder Equivalence to Other Cultivate Responders)*

4.9%
Fewer applications from Cultivate responder cohort

0.5%
Fewer applications overall, all other factors held constant

College Board Subscription Plans 2024-25

Sub Plans	A Access[1]	B Access	C Access	D Access	E Access	F Access	G Access	H Access
Cost	$2,575	$10,300	$25,875	$52,000	$105,000	$213,000	$322,500	$540,000
Search Records	5,000	20,000	50,000	100,000	200,000	400,000	600,000	Unlimited
Audiences	3	6	15	30	60	120	190	290
Base Features[2]	✓	✓	✓	✓	✓	✓	✓	✓
Segment Analysis Service	✗	✗	✓	✓	✓	✓	✓	✓
Interest in My Peers	✗	✗	✗	✓	✓	✓	✓	✓
Parent Contacts	✗	✗	✗	✓	✓	✓	✓	✓
Student Plans and Preferences	✗	✗	✗	✗	✓	✓	✓	✓
Living Record	✗	✗	✗	✗	✗	✓	✓	✓

1. **No Price Change**
2. **Three Sub Plans Getting More Features (C/D/E)**

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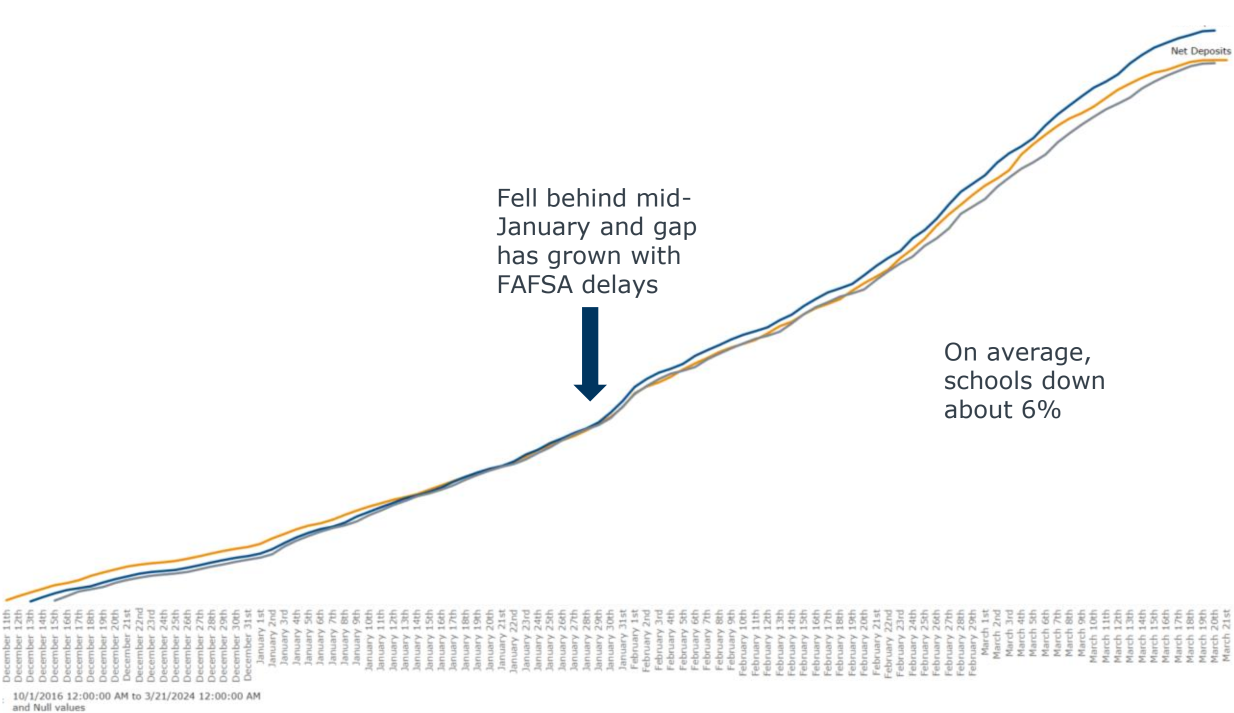
Yield Trends

Entering Class 2024

Deposits Beginning to Trail Off

Fell behind mid-January and gap has grown with FAFSA delays

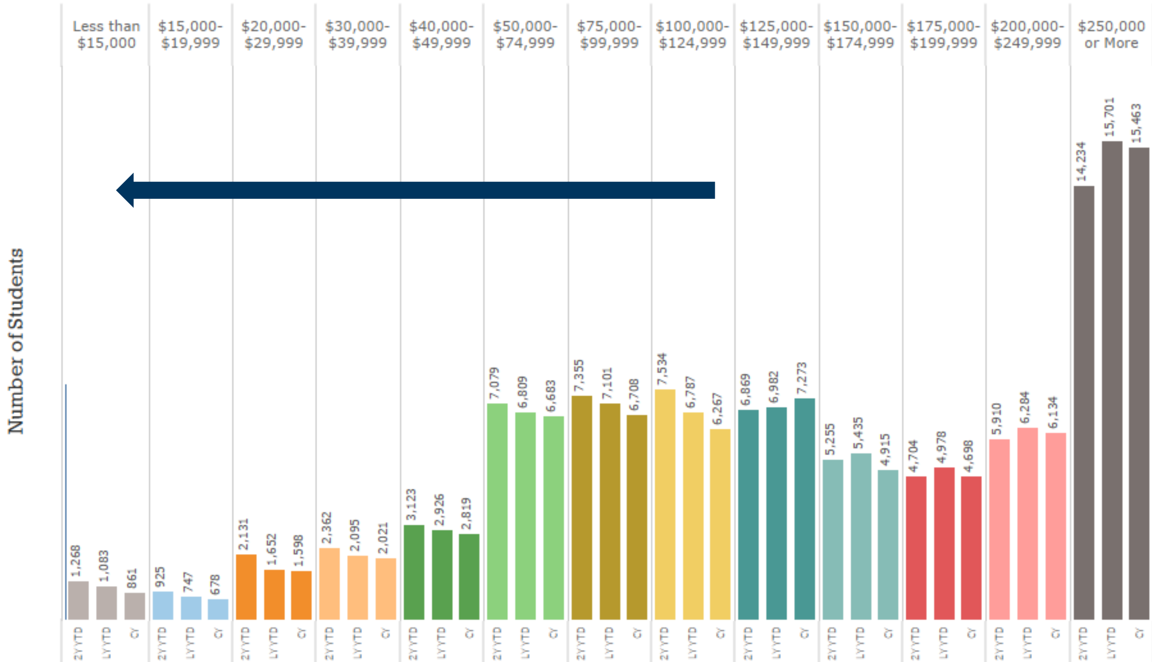
On average, schools down about 6%



156 EAB Financial Aid Optimization Partners as of March 20, 2024

Deposits by Income

All income levels dropping, more consistently in lower income bands under 125K

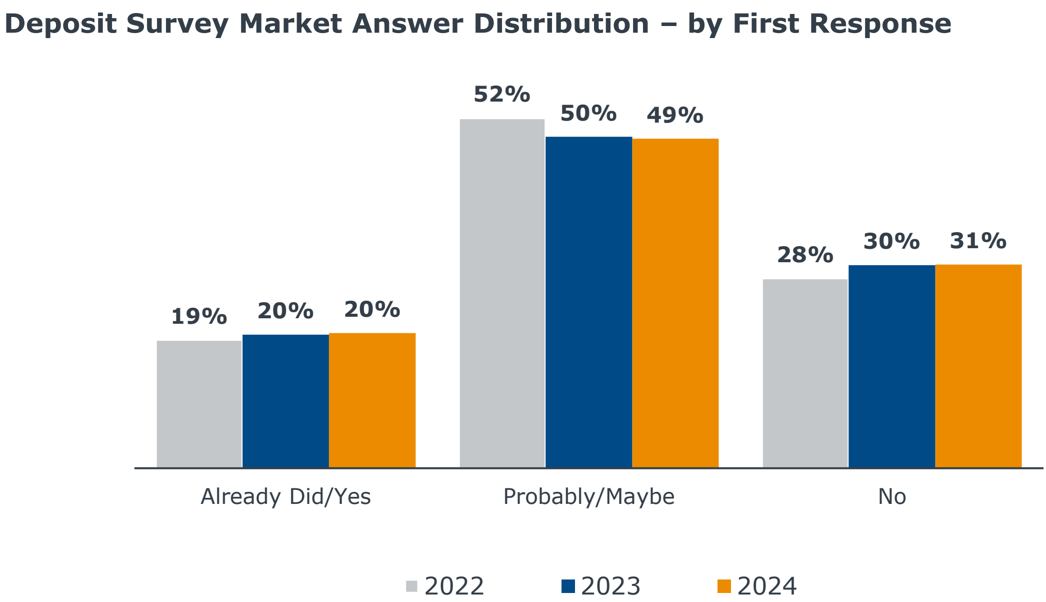


2Y YTD	1,268	925	2,131	2,362	3,123	7,079	7,355	7,534	6,869	5,255	4,704	5,910	14,234
LY YTD	1,083	747	1,652	2,095	2,926	6,809	7,101	6,787	6,982	5,435	4,978	6,284	15,701
CY	861	678	1,598	2,021	2,819	6,683	6,708	6,267	7,273	4,915	4,698	6,134	15,463

Third-party household income data, EAB

Consistent Deposit Survey Response Distribution Despite Fewer Responses

March 2023 compared to March 2024



N=74 schools

Poll #2

Based on what you know now, when do you think your first batch of aid awards will go out?

1. Before April 1
2. Between April 1 and April 15
3. Between April 15-April 30
4. After May 1

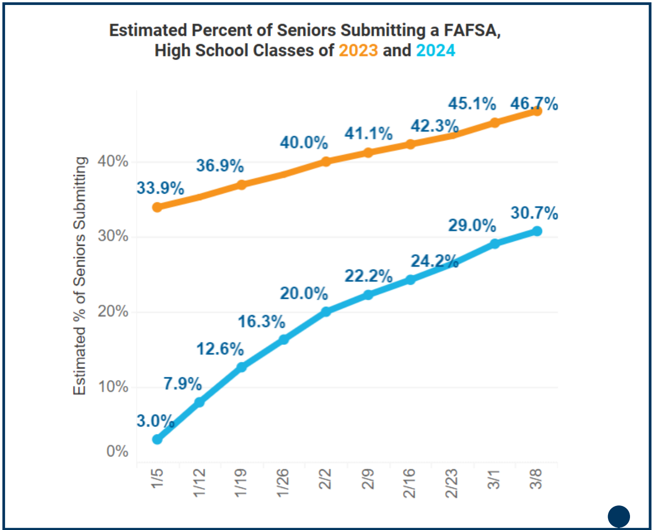
FAFSA Submissions Still Behind

Key Takeaways

33%

Decrease in FAFSA submissions compared to last years seniors, with the national FAFSA submission rate standing at just 29% through March 1st, 2024.

This cycle's start has **disproportionately affected** high schools serving **students of color and lower-income students**.

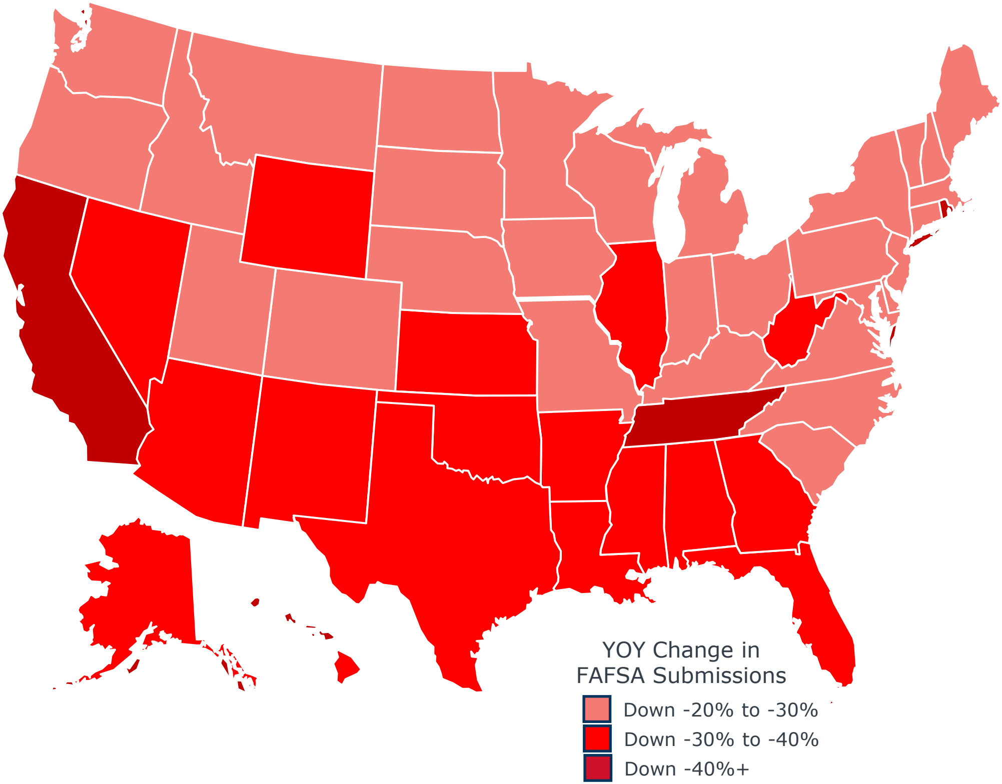


Some good news: FAFSAs have begun to arrive at institutions this week! Numbers are uneven among institutions, with some in the thousands, and some still waiting for more than a few, potentially due to ED delivery system issues.

Sources: National College Attainment Network FAFSA Tracker, EAB Partner Data

FAFSA Declines of 20-50% Consistent Across US

As of March 8th



Source: National College Attainment Network [FAFSA Tracker]

Poll #3

About how many FAFSAs did you receive this week so far (total of all students)?

1. Less than 100
2. 101- 999
3. 1000 - 5000
4. 5001-9999
5. 10,000 or more
6. We don't know yet

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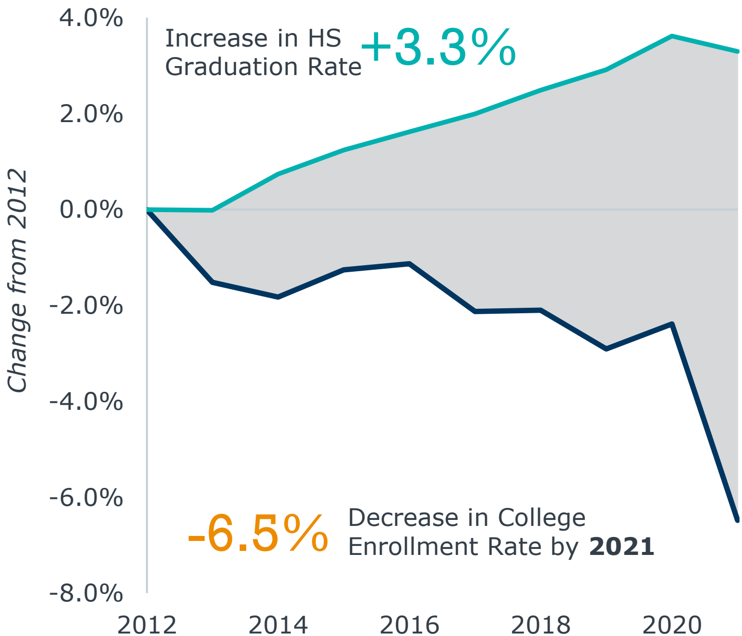
Non-Consumption Comes to Higher Ed

The Non-Consumer Undergraduate Market Getting Bigger Every Year

Change in K-12 to College Pipeline (2012 to 2021)



Recent Data Suggests No Post-Pandemic Rebound

Early Estimates For 2021-2023

WICHE[1] Estimates of High School Graduates

+1.1% Increase in Number of HS Graduates

NSC[2] 'Stay Informed' Enrollment Estimates

-0.9% Decrease in Number of Freshmen Enrolled (ages 18-20)

Why are more HS graduates deciding to opt out of college?

1) Western Interstate Commission on Higher Education
2) National Student Clearinghouse

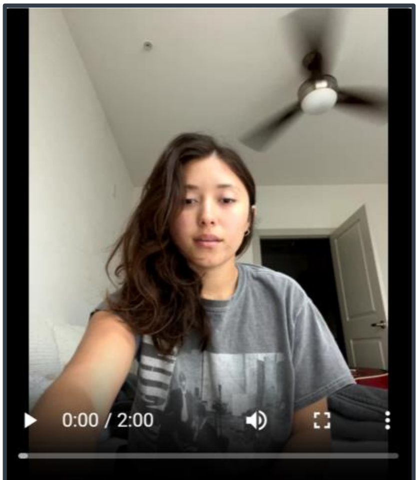
Source: EAB Analysis of American Community Survey Data; National Student Clearinghouse, *Stay Informed Enrollment Updates,* Oct. 26, 2023; WICHE Knocking at the College Door 10th Edition Data; EAB Interviews and Analysis.

What Do The Non-Consumers Say?

It's Hard to Understand Non-Consumers Without Talking to Them Directly

- Historically Understudied Population
- Out of Sight, Out of Mind
- Frequent Misassumptions about Motivation

Going Straight to the Source—Asynchronous Primary Interviews at Scale



150+
Responses

- What were the most important info sources as you explored post-HS plans?
- What are the main concerns that you have had about going to college?
- What is the image that comes to your mind when you think about college?
- What might have changed your decision on enrolling in college?

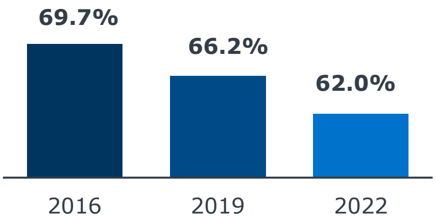
Source: EAB interviews and analysis.

The Echo Chamber's Impact on Enrollment Decisions

Despite Inaccuracies, Some Students Dissuaded by Negative Narratives

Recent HS Grads Less Likely to Enroll

College-Going Rate of Recent High School Grads, Bureau of Labor Statistics



"**I've always seen and heard things about how there's no point in going to college…** 'cause you usually end up with more debt than you can make, and it rarely works out for a lot of people that want to go."

21-year-old Hispanic man who did not attend college
EAB Non-Consumer Survey, 2023

Snapshot of Current Non-Consumers

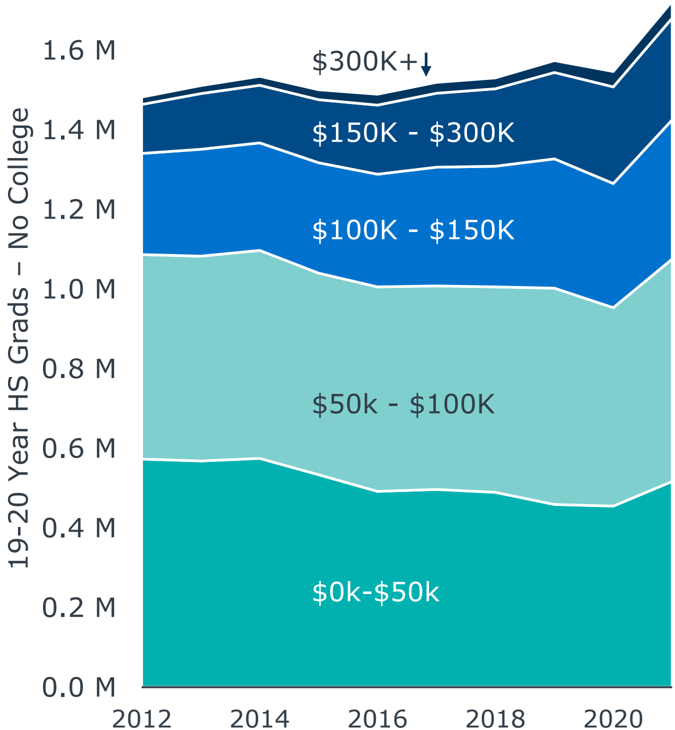
- **59%** Male
- **27%** Hispanic
- **16%** Black/African American[1]
- **48%** White[1]
- **60%** Living with parents or grandparents
- **1 in 3** Unemployed or not looking for work[2]
- **$9K** Difference in median household income between non-consumers and college-going peers

1) Non-Hispanic population.
2) Excludes those not working due to disability

Source: Bureau of Labor Statistics, "The Economics Daily," May 22, 2017; Bureau of Labor Statistics, "The Economics Daily," May 22, 2020; Bureau of Labor Statistics, "Economic News Release," April 26, 2023; U.S. Census Bureau, "American Community Survey," accessed October 2023; EAB interviews and analysis.

Wealthier Families Drive Growth in Non-Consumers

19-20 Year-old Non-Consumers Who Live at Home[1] – Split By Household Income (Constant 2021 dollars)



Higher Income Non-Consumers a Smaller, But Growing Population

Family Income Above $100K

+253K Change 2012-21

38% Of Non-Consumers in 2021

Mid/Lower Income Non-Consumers a Larger, But Stable Population

Family Income Below $100K

-11K Change 2012-21

62% Of Non-Consumers in 2021

1) The structure of the ACS survey does not allow us to estimate the family income of students who do not live with their families.

EAB Analysis of American Community Survey Data.

Introducing A 'New' Group of Non-Consumers

Non-Consumers

You're Familiar With…	*Our Focus Today*
Lack Access to College	**Don't Believe in College**
Prospects want to enroll, but face barriers	*Prospects don't want to enroll*
Large, but Stable Population	**Smaller, but Growing Population**
Unable to Pay for College	Unsure of the Value of College
Unfamiliar with Admissions Processes	Not Motivated to Engage in Admissions Process
View College as Unattainable	View College as a Pathway to Poverty

Source: EAB interviews and analysis.

Breaking Through the Noise

Tailored Recruitment Strategies Needed to Appeal to On-the-Fence Students

INDIANA COMMISSION *for* HIGHER EDUCATION

Value Campaign Findings

- A hard sell using data invites pushback – students react best to hearing how higher ed gives **more control over your future**
- Long-term benefits are too vague – immediate impacts viewed as more **credible, believable**
- Framing **costs as "manageable,"** rather than "affordable," raised interest in aid, scholarship opportunities

UTAH VALLEY UVU UNIVERSITY

Use your institution's NSC report to identify non-consumer warm leads

- **3,500 students** that applied to UVU never enrolled elsewhere
- UVU launched campaign with targeted outreach and frequent messaging, resulting in **400 new enrollments**

UNIVERSITY OF MICHIGAN

Pre-application scholarship guarantees increase enrollment

- UM grants HAIL Scholarship to low-income, high-achieving students in Michigan before students apply
- HAIL has **boosted enrollment at UM from 12% to 27%** among this population

> ***Higher ed isn't going to have a 'Got Milk' moment with some magical messaging that fixes everything.*** *We've got to start changing how we present ourselves to different groups to solve different problems.*
>
> *President, Large Public University*

Source: Beasor, Kuehr, "Indiana's Education Value Movement," SHEEO Policy Conference, Aug. 10, 2022; Dynarski et al., "Closing the Gap: The Effect of Targeted Tuition-Free Promise on College Choices of High Achieving, Low-Income Students," National Bureau of Economic Research, December 2018; EAB interviews and analysis.

Adapting the Playbook for Winning Non-Consumers

Cast a Wider Net

Adapt existing admissions processes to reach and convert students in the "shadow funnel"

How Do We Reach Prospects Who Aren't Actively Pursuing Higher Ed, and Keep them Engaged?

Facilitate Conversion Experiences

Fight negative higher ed perceptions with positive, unforgettable experiences

What Prospect Experience Will Lead Non-Consumers to Enroll?

Source: EAB Interviews and Analysis.

Poll #4

How much will FAFSA issues increase non-consumption this year?

1. Significantly
2. Moderately
3. Somewhat
4. Not that much

Q&A

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